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26 April 2007

PLACING OF 14,285,715 ORDINARY SHARES AT 70p PER ORDINARY SHARE WITH INSTITUTIONAL INVESTORS TO RAISE APPROXIMATELY £10.0million

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Digital Marketing Group plc ("DMG" or the "Company") announces the placing (the "Placing") by Cenkos Securities plc of 14,285,715 new ordinary shares of 50p each ("Ordinary Shares") at a price of 70 pence per share to raise £10.0 million before expenses.

Funds raised from the Placing will allow DMG to repay existing debt assumed from its acquisitions of Cheeze Limited and Alphanumeric Group (trading as "Jaywing"), as well as creating financial flexibility to complete the acquisitions of further fast growing digital businesses with complementary specialist skills.

Cenkos Securities plc acted for the Company in the Placing of the new Ordinary Shares with institutional investors, which is conditional upon, inter alia, admission of the new Ordinary Shares to trading on AIM. Application has been made for the admission of the new Ordinary Shares to trading and it is expected that admission will occur and dealings will commence on AIM on 2 May 2007. The new Ordinary Shares will rank pari passu in all respects with the existing Ordinary Shares currently traded on AIM. Following admission there will be 64,412,152 Ordinary Shares in issue.

Ben Langdon, Chief Executive of DMG, commented: "We are very encouraged by the significant interest shown in the Company and welcome our new investors. The Placing will significantly strengthen the Company's balance sheet and create additional headroom to continue to pursue our strategy. This is an exciting period for DMG as it seeks to enhance its product platform to enable the Company to provide a fully comprehensive digital direct marketing service to its clients as marketers continue to follow consumers online."

- The internet is now the second largest advertising market in the UK, after TV, (£3.9 billion spend in 2006), and ahead of national newspapers, (£1.9 billion spend in 2006).

**Source: Internet Advertising Bureau / PricewaterhouseCoopers UK online adspend figures for 2006*

Cenkos Securities plc ("Cenkos"), which is authorised and regulated in the United Kingdom by The Financial Services Authority, is acting exclusively for the Company as nominated adviser, broker and placing agent in connection with the Placing. Cenkos is not acting for any other person and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Cenkos or for advising any other person in relation to the Placing. The new Ordinary Shares have not been, nor will be, registered under the United States Securities Act of 1933 (as amended) or under the securities legislation of any state of the United States of America or of any province or territory of Canada, Australia, Japan, the Republic of Ireland or the Republic of South Africa. There will be no public offering of the new Ordinary Shares in the United States. Subject to certain exceptions, the new Ordinary Shares may not be directly or indirectly offered, sold, transferred, taken up or delivered in, into or from the United States, Canada, Australia, Japan, the Republic of Ireland or the Republic of South Africa or their respective territories or possessions. This announcement does not constitute an offer to sell or issue or the solicitation of an offer to buy new Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. Accordingly, copies of this announcement are not being and must not be mailed or otherwise distributed or sent in or into or from the United States, Canada, Australia, Japan, the Republic of Ireland or the Republic of South Africa and any person receiving this announcement (including custodians, nominees and trustees) must not distribute or send it in or into or from the United States, Canada, Australia, Japan, the Republic of Ireland or the Republic of South Africa. This announcement has not been approved by Cenkos for the purposes of section 21 of the Financial Services and Markets Act 2000. This announcement has not been examined or approved by The Financial Services Authority or the London Stock Exchange or any other regulatory authority.